

**Summary**

The development of MEDALLION, Virginia Medicaid's Primary Care Case Management program (PCCM), began in 1991. On December 23, 1991, Centers of Medicare and Medicaid Services, granted a 1915(b) waiver for MEDALLION to improve Medicaid recipients' quality of care and to assist in controlling the Commonwealth's escalating health care costs. CMS authority specifically waived sections 1902(a)(1), 1902(a)(10), and 1902(a)(23) of the Act, allowing the establishment of the MEDALLION program. MEDALLION enrolls TANF and TANF-related Medicaid recipients (typically children and a single parent, usually the mother), as well as aged, blind, and disabled recipients.

One of the major directions of MEDALLION was to change the way recipients and providers view Medicaid enrollees. Because MEDALLION introduced the concept of a Primary Care Physician (PCP) in Medicaid, the designers of the program wanted to accustom recipients to being "clients" and to introduce the concept of seeking referrals. As a result, MEDALLION produces better medical outcomes and promotes the physician/patient relationship, preventive care, and patient education, while reducing the inappropriate use of medical services.

Overall, the MEDALLION concept allows recipients to enjoy a "medical home" for health care management and the PCPs the ability to manage their clients. Primary care providers who elect to participate in MEDALLION receive their usual fee-for-service they provide and in addition receive a \$3.00 per member, per month case management fee for all clients enrolled with them irrespective of actual care provided.

The following chart outlines the milestones under the MEDALLION program.

<b>Milestones</b>	December, 1991	CMS approved the MEDALLION waiver for establishment of 4 pilot sites effective 1-1-92 through 12-31-93.
	March, 1992	Martinsville/Henry County pilot established.
	August, 1992	Richmond (eastern part only) pilot established. All four pilots "up" with 32,600 clients enrolled.
	January, 1993	CMS granted waiver authority effective January 1, 1993 for the MEDALLION program to be phased-in statewide.
	Summer, 1994	Northern Virginia brought into program. 230,000 clients enrolled.
	July, 1995	Expansion initiated to 50,000 aged, blind, and disabled recipients.
	January, 1996	Due to the implementation of Medallion II, MEDALLION enrollment decreased to approximately 200,000 individuals.
	July, 2001	Enrollment was at 142,275.
	December, 2001	Program operates concurrently with MMII in 33 regions, MEDALLION enrollment decreases to 57,000 recipients.

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<b>Services</b>	Primary Care Services Covered Include:	Services Not Subject to Prior Authorization Include:
	Physician services Pharmacy services Hospital Inpatient services Hospital Outpatient services Laboratory and Radiology services Home Health services Ambulatory Surgical Center services Rural Health Clinic services	Dental services Emergency services Mental Health/Mental Retardation services Psychiatry services Ophthalmology services Obstetrical and Gynecological services Family Planning Services Annual or Routine Vision Examinations

**Primary Care Providers** The PCP acts as a gatekeeper, providing or coordinating the medical needs of the client. The PCP is the first contact for care with coverage 7-day/week, 24-hour/day. The PCP assumes a longitudinal responsibility for their clients' health and illness and coordinates the use of the health care system, especially visits to specialists. Under the MEDALLION program, providers of primary care must be:

Monthly Enrollment by Fiscal Year	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
July		5,084	43,159	117,593	174,147	186,788	182,138	195,246	142,496	138,703	134,920	71,897	77,902
August		14,721	45,744	158,564	176,168	184,347	180,541	189,653	142,241	127,828	135,011	72,139	80,096
September		13,572	54,763	149,210	181,480	185,067	180,248	190,258	140,731	127,061	137,275	74,060	82,541
October		12,745	83,352	174,177	212,624	183,194	176,858	190,804	140,569	124,606	137,069	75,063	83,898
November		14,432	71,266	177,752	212,493	184,079	168,698	189,082	139,061	129,210	46,220	77,368	84,546
December		25,326	116,473	181,082	209,604	183,966	185,353	188,493	140,037	133,768	56,837	78,221	85,268
January		28,038	123,426	188,024	178,839	182,887	186,870	183,626	140,438	136,067	63,654	77,915	87,203
February		30,731	129,733	189,224	180,933	182,618	195,249	189,706	138,405	136,960	67,174	79,687	88,291
March	1,712	31,335	108,312	185,579	189,099	185,729	195,149	188,034	139,397	134,928	69,387	80,432	88,911
April	1,712	38,747	111,704	184,283	186,600	183,934	195,203	142,014	139,096	135,402	71,066	80,477	83,908
May	3,695	43,039	117,902	173,221	188,323	185,566	195,734	142,005	139,338	135,011	71,012	81,238	89,469
June	3,634	45,540	120,805	178,037	188,479	185,122	195,246	142,147	138,314	138,057	72,435	81,542	88,742
Average	N/A	25,276	93,887	171,396	189,899	184,441	186,441	177,589	140,010	133,133	88,505	77,503	85,065

**Summary**

The Medallion II Program was authorized by the 1995 General Assembly. It received approval from the Centers of Medicare and Medicaid Services (CMS), in the form of a 1915(b) waiver in 1995. Medallion II takes the implementation of managed care in Virginia one step further by requiring mandatory enrollment in managed care organizations for most Medicaid clients. The main exceptions are long-term care recipients who are in institutions and those recipients enrolled in separate home and community-based care waiver programs. The emphasis of the program is to provide access for preventive and coordinated care.

All enrolled clients can choose between several Managed Care Organizations (MCOs), or one participating MCO with the MEDALLION program in their locality. Clients who do not make a choice are assigned to an MCO. To ensure high quality care and adequate access, Virginia tracks the care provided through compliance and quality improvement programs initiated by DMAS, and through contracts with external quality review organizations. The contracts to MCOs are awarded based on competitive proposals and contract negotiations. Rates paid to MCOs are lower than fee-for-service payments for similar services and determined by a national accredited firm utilizing data and trends.

Most Virginia Medicaid health plans have national quality accreditation. The plans have increased provider access, improved health services, and reduced costs. The Department monitors the plans through internal compliance. The program has been evaluated and participated in numerous studies by independent evaluations. These studies have indicated that the program has increased provider access, has high patient satisfaction, improved health outcomes, and reduced Department costs.

The Medallion II program has been successful in enhancing access and availability of care by requiring MCOs to maintain an adequate network of physicians, hospitals, ancillary, transportation, and specialty providers. The program has promoted recipient services and preventive care services, as well as the continuity and appropriateness of care. The MCOs provide extensive new member services including 24-hour nurse advice lines, as well as other enhanced services (e.g., pre-natal programs, case management services, and, group and individualized health education not offered under traditional Medicaid).

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<b>Milestones</b>	January, 1996	Medallion II began January 1, 1996 for Virginia Medicaid recipients covering managed care recipients in seven (7) Tidewater localities.
	November, 1997	Medallion II expanded in November of 1997 to an additional six (6) cities and counties adjacent to Tidewater.
	April, 1999	DMAS further expanded Medallion II to an additional 33 cities/counties in Central Virginia to include Richmond, Hopewell, Petersburg, and their surrounding counties.
	October, 2000	Medallion II expanded to Areas Adjacent to Central Virginia, including the City of Fredericksburg and Mecklenburg County.
	December, 2000	CMS renewed the Medallion II waiver allowing for MEDALLION and Medallion II to operate concurrently in a statewide expansion.
	December, 2001	The Department expanded Medallion II into 48 additional localities including the areas of Danville, Roanoke, Charlottesville, and Northern Virginia affecting approximately 103 localities and approximately 243,000 Medicaid recipients.

**Monthly Enrollment by Fiscal Year**

	1996	1997	1998	1999	2000	2001	2002	2003	2004
July		94,599	85,439	89,712	149,697	142,275	156,847	237,419	262,961
August		94,815	85,064	89,433	150,140	141,512	157,686	237,997	275,406
September		94,365	83,942	89,210	149,415	140,367	157,469	245,293	277,343
October		93,307	82,462	85,270	149,794	148,989	158,408	237,453	281,259
November		93,613	89,964	84,933	149,686	154,631	159,372	240,385	287,532
December		90,542	89,989	86,156	149,474	156,552	178,665	242,870	287,966
January		64,628	89,772	86,984	150,112	157,628	238,656	249,475	291,919
February	87,560	69,499	89,015	86,431	151,036	157,426	238,937	252,478	299,093
March	86,394	86,699	88,756	86,509	150,731	156,860	235,023	253,832	300,974
April	93,198	85,815	89,271	145,264	150,203	156,934	233,782	253,868	302,700
May	93,835	85,743	89,271	147,134	145,295	156,288	235,235	256,843	304,512
June	94,118	86,205	89,712	150,067	142,355	156,072	238,131	258,678	308,024
Average	91,021	86,653	87,721	102,259	148,995	152,128	199,018	247,216	289,974